

MOTION BY CHAIR HILDA L. SOLIS AND SUPERVISOR KNABE

April 12, 2016

Central Basin Municipal Water District Reform

As a result of ineffective leadership, the Central Basin Municipal Water District (Central Basin) has lost credibility with the communities it serves. In 2014, the County completed a report on the Central Basin outlining the issues confronting the Central Basin related to its financing, litigation and legal costs, its loss of insurance, operations and water supply reliability. Based on the information collected, the County requested a comprehensive management audit of the Central Basin by the California State Auditor. The State Auditor identified poor leadership, State law violations, and questionable contracting practices, including 32 recommendations to the Central Basin’s board and the recommendation that the Legislature modify the district’s governance structure. Only 10 of the 32 recommendations have been implemented—permanent changes in governance are needed for real long-term reform.

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MOTION

RIDLEY-THOMAS _____

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AB 1794 (Garcia) would create a new governance structure so that the Central Basin Municipal Water District can fulfill its responsibilities moving forward. The bill would add three new Directors to the Central Basin Board, to be appointed by the water purveyors of the district. It would establish a technical advisory committee to review the district's budget and projects, proposed changes relating to procurement, and certain proposed changes to the administrative code. SB 953 (Lara) would add new members to the Central Basin Board and would also prohibit certain activities related to sole source contracts. These proposed reforms would help protect the more than two million people served by Central Basin.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Instruct the Chief Executive Officer, in coordination with Public Works, to prepare a five signature letter to the Legislature expressing the need for reform of the governance of the Central Basin Municipal Water District and requesting that they take action to ensure that the State Auditor's recommendations are fully implemented.

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HLS:dg